

110TH CONGRESS
2D SESSION

H. R. 6413

To prohibit the Administrator of the Federal Emergency Management Agency from updating flood maps until the Administrator submits to Congress a community outreach plan, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 2008

Mr. PALLONE introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To prohibit the Administrator of the Federal Emergency Management Agency from updating flood maps until the Administrator submits to Congress a community outreach plan, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. MORATORIUM ON FLOOD MAP UPDATES.**

4 The Administrator of the Federal Emergency Man-
5 agement Agency may not revise and update a floodplain
6 area or flood-risk zone under section 1360(f) of the Na-
7 tional Flood Insurance Act of 1968 (42 U.S.C. 4101(f))

1 until the date on which the Administrator submits to Con-
 2 gress a community outreach plan for the updating of
 3 floodplain areas and flood-risk zones.

4 **SEC. 2. REFUNDABLE CREDIT FOR RESIDENTIAL PROP-**
 5 **ERTY LOCATED IN EXPANDED FLOOD ZONE.**

6 (a) IN GENERAL.—Subpart C of part IV of sub-
 7 chapter A of chapter 1 of the Internal Revenue Code of
 8 1986 (relating to refundable credits) is amended by redes-
 9 ignating section 36 as section 37 and by inserting after
 10 section 35 the following new section:

11 **“SEC. 36. NEW FLOOD ZONE PREMIUM CREDIT.**

12 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-
 13 gible individual, there shall be allowed as a credit against
 14 the tax imposed by this chapter for the taxable year an
 15 amount equal to the premium paid by the taxpayer for
 16 flood insurance under the National Flood Insurance Act
 17 of 1968 (42 U.S.C. 4001 et seq.) covering any residential
 18 property of the taxpayer which is a qualified flood risk
 19 property.

20 “(b) LIMITATIONS.—

21 “(1) LIMITATION BASED ON INCOME.—

22 “(A) IN GENERAL.—The amount which
 23 would (but for this subsection) be allowable as
 24 a credit under this section shall be reduced (but

1 not below zero) by the amount determined
2 under subparagraph (B).

3 “(B) AMOUNT OF REDUCTION.—The
4 amount determined under this subparagraph is
5 the amount which bears the same ratio to the
6 amount which would be so taken into account
7 as—

8 “(i) the excess of—

9 “(I) the taxpayer’s modified ad-
10 justed gross income for such taxable
11 year, over

12 “(II) \$50,000 (\$100,000 in the
13 case of a joint return), bears to

14 “(ii) \$100,000 (\$200,000 in the case
15 of a joint return).

16 “(C) MODIFIED ADJUSTED GROSS IN-
17 COME.—For purposes of subparagraph (B), the
18 term ‘modified adjusted gross income’ means
19 adjusted gross income determined—

20 “(i) without regard to this section and
21 sections 199, 222, 911, 931, and 933, and

22 “(ii) after application of sections 86,
23 135, 137, 219, 221, and 469.

24 “(2) LIMITATION BASED ON PERIOD.—No
25 amount shall be allowed as a credit under subsection

1 (a) with respect to any residential property after the
 2 end of the 4th calendar beginning after the calendar
 3 year in which the map referred to in subsection
 4 (c)(1) first became effective.

5 “(c) QUALIFIED FLOOD RISK PROPERTY.—For pur-
 6 poses of this section, the term ‘qualified flood risk prop-
 7 erty’ means a residential property (within the meaning of
 8 the National Flood Insurance Act of 1968) which—

9 “(1) is located in a floodplain area or flood-risk
 10 zone, as depicted on a flood insurance rate map re-
 11 vised and updated pursuant to section 1360(f) of the
 12 National Flood Insurance Act of 1968 (41 U.S.C.
 13 4101),

14 “(2) was outside of any floodplain area or
 15 flood-risk zone prior to such revision and updating,
 16 and

17 “(3) with respect to which—

18 “(A) the taxpayer owned such property on
 19 the date such revised and updated map first be-
 20 came effective, or

21 “(B) the purchase or construction of which
 22 by the taxpayer was subject to a binding writ-
 23 ten contract on such date.”.

24 (b) CONFORMING AMENDMENTS.—

1 (1) Paragraph (2) of section 1324(b) of title
 2 31, United States Code, is amended by inserting “,
 3 36” after “35”.

4 (2) The table of sections for subpart C of part
 5 IV of subchapter A of chapter 1 of the Internal Rev-
 6 enue Code of 1986 is amended by striking the item
 7 relating to section 36 and inserting the following
 8 new items:

“Sec. 36. New flood zone premium credit.

“Sec. 37. Overpayments of tax.”.

9 (c) EFFECTIVE DATE; WAIVER OF LIMITATIONS.—

10 (1) IN GENERAL.—The amendments made by
 11 this section shall apply with respect to any flood in-
 12 surance rate map which becomes effective pursuant
 13 to section 1360(f) of the National Flood Insurance
 14 Act of 1968 (41 U.S.C. 4101).

15 (2) WAIVER OF LIMITATIONS.—If refund or
 16 credit of any overpayment of tax resulting from the
 17 amendments made by this section is prevented at
 18 any time before the close of the 1-year period begin-
 19 ning on the date of the enactment of this Act by the
 20 operation of any law or rule of law (including res ju-
 21 dicata), such refund or credit may nevertheless be
 22 made or allowed if claim therefor is filed before the
 23 close of such period.

1 **SEC. 3. GRANT PROGRAM TO IMPROVE COMMUNITY RAT-**
2 **ING.**

3 Section 1315(b) of the National Flood Insurance Act
4 of 1968 (42 U.S.C. 4022(b)) is amended—

5 (1) by redesignating paragraph (4) as para-
6 graph (5); and

7 (2) by inserting after paragraph (3) the fol-
8 lowing new paragraph:

9 “(5) GRANTS.—The program shall provide
10 grants to communities for projects to improve the
11 community rating of the communities under the pro-
12 gram.”.

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